

	Minutes/ month	Minutes/ year	Monthly bill	Price/ minute	Subscribers	Taxes per minute incl in FCC revs.	Minutes
2004	545.5	6546	50.275	0.0921632	170431171.5	0	1,115,642,448,639

Minutes and monthly bill: FCC, 10th Mobil Competition Report (2005), Table 9. 0

Subscribers: CTIA figure in FCC, 10th Mobil Competition Report (2005), Table 1.

Delta P, total reg and U service charges/minute (J8), calculated from detail in cells J13-J17

Monthly costs in cells J13-J16 based on data in Lenard and Mast (2003 as explained in text

Monthly U service cost in cell J18 is total wireless U service contrib per subscriber per month

Total u service cost for 2004 is \$5.4 billion x .326 (from Trends (2005) tables 19.1 and 19.17

Elasticity of demand is lower bound estimated by Sidak (2003)

% delta P uses "unregulated" price (cell E8-costs of regulatory mandates) as denominator.

Cost of U service is not subtracted because Price/minute excludes U service payments (per C

Total wealth transfer (N8) is total delta P (J8) times minutes

Lines 13-17 allocate costs among regulations in proportion to each one's percentage of delta F

Marginal cost is assumed to equal 5 cents/minute, following Hausman (2000).

CTIA figures in FCC Mobil Competition Report are for last 6 months of year.

To approximate average 2004 figures, average the 2003 and 2004 figures:

	Mins	Bill	Subs
2003	584	49.91	158721981
2004	507	50.64	182140362
Avg	545.5	50.275	170431172

Regulatory		% delta	Delta	(U svc. Contrib)		
charges/	Elasticity	P	Q	Wealth	Marginal	
minute				Transfer	Cost	
0.004364	1.12	0.048827	61,010,343,648	\$4,868,664,568	0.05	
(Delta P)						

Detail for Individual Regulations and Charges

	Per Month	% of Delta	P	
Number port	0.5	0.210034		\$1,022,587,029
Number pool	0.17	0.071412		\$347,679,590
CALEA	0.24	0.100817		\$490,841,774
E911	0.61	0.256242		\$1,247,556,175
U svc	0.860562	0.361495		\$1,760,000,000

TIA)

»

Consumer Surplus	Producer Surplus	Total DW loss	DW Loss plus wealth transfer		DW Loss in working paper
\$133,124,595	\$2,572,388,458	\$2,705,513,053	\$7,574,177,621		\$2,679,000,000
\$27,960,744	\$540,290,060	\$568,250,804	\$1,590,837,833		\$594,000,000
\$9,506,653	\$183,698,620	\$193,205,273	\$540,884,863		\$202,000,000
\$13,421,157	\$259,339,229	\$272,760,386	\$763,602,160		\$285,000,000
\$34,112,108	\$659,153,873	\$693,265,981	\$1,940,822,156		\$725,000,000
\$48,123,933	\$929,906,676	\$978,030,609	\$2,738,030,609		\$873,000,000

Corrected DW loss
vs. figure in
working paper
-\$26,513,053

\$25,749,196
\$8,794,727
\$12,239,614
\$31,734,019
-\$105,030,609